



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0044	Title:	Establish health policy council in legislative branch
Primary Sponsor:	Hansen, Ken (Kim)	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$240,800	\$141,710	\$243,190	\$148,276
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$240,800)</u>	<u>(\$141,710)</u>	<u>(\$243,190)</u>	<u>(\$148,276)</u>

Description of fiscal impact:

Senate Bill 44 creates a Health Policy Council. The fiscal impact relates to committee and support costs. Senate Bill 44 is one of several bill drafts that seek to create additional legislative committees. The fiscal note for each bill is prepared based on the effect of the individual bill. However, when viewed as a package, the cumulative effect of passage of more than one bill will require additional analysis and may provide opportunities to share or redistribute costs.

FISCAL ANALYSIS

Assumptions:

Legislative Branch

Health Policy Council

1. The health policy council will consist of 8 members.
2. Beginning in July 2009, the council will meet 8 times during the legislative interim. Six of the meetings will be in Helena; two will be in locations outside of Helena.
3. All council members are entitled to compensation and reimbursement of expenses. The total cost for the 2011 biennium would be \$28,486.

4. A research analyst, an attorney, and a secretary would be required to travel to out-of-town meeting locations. Staff travel costs, excluding personal services, for the 2011 biennium would be \$811.
5. Operational costs for photocopy, supplies, and postage would total \$2,695 for the 2011 biennium.
6. The council would incur actuarial costs in the amount of \$50,000 to analyze proposals and determine implementation costs and contracted services costs totaling \$50,000 for research and surveys of health care utilization and policy.

Work Groups

7. If a public work group convenes to discuss health policy issues and there are no legislative members assigned to the work group, no additional costs would be incurred.
8. If a public work group convenes and the health policy council assigns legislative members to the work group, the work group's meetings are determined to be public meetings as defined in Title 2, chapter 3, part 2, MCA, and in case law, and would require formal notices to the public, minutes to be taken as a record of each meeting, and legislative members would be entitled to compensation and reimbursement of expenses.
9. The legislative services division assumes members of the public will form five work groups and the health policy council will assign two legislative members to each work group.
10. Each public work group will meet nine times during the 2011 legislative interim for a total of 45 one-day meetings. One work group will meet in Helena; the four remaining work groups will meet in communities other than Helena.
11. Legislators assigned to work groups are entitled to compensation and reimbursement of expenses at a cost of \$40,024 for the 2011 biennium.
12. Rental of facilities with handicapped access and appropriate sound systems for the 36 meetings outside Helena will cost \$10,800.
13. The legislative services division will hire a full-time research analyst and a part-time secretary to support the activities of the council and the work groups, and to provide an accurate record of actions taken. Both the analyst and the secretary would begin work in July 2009. The 2011 biennium cost for personal services would be \$177,959.
14. The research analyst and secretary would be required to travel to out-of-town meeting locations at a cost of \$8,911 for the 2011 biennium.
15. The legislative services division will obtain office space for the 1.5 FTE at a cost of \$6,824 for the 2011 biennium and will incur one-time costs of \$6,000 for desks, file cabinets, chairs, and computers.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	1.50	1.50	1.50	1.50
<u>Expenditures:</u>				
Personal Services	\$103,437	\$95,614	\$109,532	\$101,346
Operating Expenses	<u>\$137,363</u>	<u>\$46,096</u>	<u>\$133,658</u>	<u>\$46,930</u>
TOTAL Expenditures	<u><u>\$240,800</u></u>	<u><u>\$141,710</u></u>	<u><u>\$243,190</u></u>	<u><u>\$148,276</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	<u>\$240,800</u>	<u>\$141,710</u>	<u>\$243,190</u>	<u>\$148,276</u>
TOTAL Funding of Exp.	<u><u>\$240,800</u></u>	<u><u>\$141,710</u></u>	<u><u>\$243,190</u></u>	<u><u>\$148,276</u></u>
<u>Revenues:</u>				
General Fund (01)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Revenues	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$240,800)	(\$141,710)	(\$243,190)	(\$148,276)

Long-Term Impacts:

1. The health policy council established in Senate Bill 44 would terminate June 30, 2015. Costs for the 2015 biennium would be similar to those presented for the 2013 biennium.

Technical Notes:

1. Senate Bill 44 is effective on passage and approval. There is no funding provided for council activities prior to July 1, 2009.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date